

Fiscal Estimate - 2021 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 21-4693/1	Introduction Number SB-652
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Description
 Restoring private individual authority to bring a qui tam claim against a person for making a false claim for medical assistance, actions by the attorney general against a person for making a false claim for medical assistance, and providing a penalty

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input type="checkbox"/> No
<input checked="" type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Indeterminate	
1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS	s. 20.435(4)(b), (im), and (o)

Agency/Prepared By DHS/ Thomas Kelly (608) 266-0734	Authorized Signature Andy Forsaith (608) 266-7684	Date 11/9/2021
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Fiscal Estimate Narratives

DHS 11/9/2021

LRB Number	21-4693/1	Introduction Number	SB-652	Estimate Type	Original
Description Restoring private individual authority to bring a qui tam claim against a person for making a false claim for medical assistance, actions by the attorney general against a person for making a false claim for medical assistance, and providing a penalty					

Assumptions Used in Arriving at Fiscal Estimate

This proposal would restore the ability of private individuals to bring a qui tam claim against a person who makes a false Medicaid claim. This proposal generally mirrors statutory language created in the 2007-09 state budget (2007 Act 20) that was subsequently repealed by the 2015-17 state budget (2015 Act 55).

Medicaid recovery cases involving a qui tam component are managed by the Wisconsin Department of Justice (DOJ) along with many other recovery cases. While the Department of Health Services' (DHS's) share of Medicaid recoveries are deposited into the appropriation under s. 20.435(4)(im) and used to offset costs that would otherwise impact the appropriations under s. 20.435(4)(b) and (o), DHS did not track whether or not each individual Medicaid recovery case contained a qui tam component during the years that qui tam claims were permitted. Instead, DHS continues to track recoveries by Medicaid recipient's eligibility category since that information is relevant to determining the allocation of recoveries between the state and federal government.

While this bill might be expected to increase Medicaid recoveries, it may be that DHS's Office of the Inspector General (OIG) would otherwise uncover the cases that would be initiated as qui tam claims under this proposal. If that is the case, this proposal could reduce the recoveries that are reinvested in the Medicaid program since individuals who successfully file a qui tam claim may be awarded 30% of the recoveries.

For these reasons, the fiscal impact of this bill on Medicaid recoveries is indeterminate at this time.

Long-Range Fiscal Implications

The long-range fiscal implications of this proposal on Medicaid recoveries are indeterminate at this time.